

1 UNITED STATES PATENT AND TRADEMARK OFFICE

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4 BEFORE THE BOARD OF PATENT APPEALS
5 AND INTERFERENCES
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8 *Ex parte* SHAWN WIEDERIN
910
11 Appeal 2007-2172
12 Application 09/950,025
13 Technology Center 3600
1415
16 Decided: October 19, 2007
1718
19 Before WILLIAM F. PATE, III, LINDA E. HORNER, and ANTON W.
20 FETTING, *Administrative Patent Judges*.
21 FETTING, *Administrative Patent Judge*.22 DECISION ON APPEAL
2324
25
26 STATEMENT OF CASE27 Shawn Wiederin (Appellant) seeks review under 35 U.S.C. § 134 of a Final
28 rejection of claims 2-6, 8, 9, 12-16, 18, 19, 22-26, 28, 29, 32-36, 38, 39, and 41-45,
29 the only claims pending in the application on appeal.

30 We have jurisdiction over the appeal pursuant to 35 U.S.C. § 6(b) (2002).

31
32 We AFFIRM.

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1 The Appellant invented a way to allow a user of a wireless or a wired device,
2 or a combination of devices, to perform a transfer of currency or monetary funds
3 from one on-line financial account to one or more on-line financial account(s). In
4 general, in an exemplary embodiment of this invention, after a user's account
5 profile is created, all the necessary steps to verify the profile, the account's fund
6 availability, security related functions and debiting and crediting of the respective
7 accounts can be initiated from the user device (Specification 2:¶ 0004).

8 An understanding of the invention can be derived from a reading of exemplary
9 claim 42, which is reproduced below [bracketed matter and some paragraphing
10 added].

11 42. A monetary transaction system comprising:
12 a payment processing system configured to:
13 [1] receive payee, user, and amount information from a wireless
14 device associated with the user,
15 [2] identify a first account associated with the user based on the
16 user information,
17 [3] identify a second account associated with the payee based
18 on the payee information,
19 [4] transfer funds based on the amount information between the
20 first account and the second account, and
21 [5] send a notification of the transfer of the funds to the
22 wireless device,
23 the notification including an itemization of goods or
24 services associated with the transfer.

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27 This appeal arises from the Examiner's Final Rejection, mailed August 5,
28 2005. The Appellant filed an Appeal Brief in support of the appeal on January 5,
29 2006. An Examiner's Answer to the Appeal Brief was mailed on March 13, 2006.

1 PRIOR ART

2 The Examiner relies upon the following prior art:

Shkedy US 6,260,024 B1 Jul. 10, 2001

3 REJECTIONS

4 Claims 12-16, 18, 19, 22-26, 28, 29, 43, and 44 stand rejected under 35 U.S.C.
5 § 102(e) as anticipated by Shkedy.6 Claims 2-6, 8, 9, 32-36, 38, 39, 41, 42, and 45 stand rejected under 35 U.S.C.
7 § 103(a) as unpatentable over Shkedy.

8 ISSUES

9 The issues pertinent to this appeal are

- 10 • Whether the Appellants have sustained their burden of showing that the
11 Examiner erred in rejecting claims 12-16, 18, 19, 22-26, 28, 29, 43, and 44
12 under 35 U.S.C. § 102(e) as anticipated by Shkedy.
- 13 • Whether the Appellants have sustained their burden of showing that the
14 Examiner erred in rejecting claims 2-6, 8, 9, 32-36, 38, 39, 41, 42, and 45
15 under 35 U.S.C. § 103(a) as unpatentable over Shkedy.

16 The pertinent issue turns on whether Shkedy discloses receiving payee
17 information from a wireless device associated with a user.

18 FACTS PERTINENT TO THE ISSUES

19 The following enumerated Findings of Fact (FF) are believed to be supported
20 by a preponderance of the evidence.21 *Claim Construction*

- 22 1. The disclosure contains no lexicographic definition of “payee.”

- 1 2. The ordinary and customary meaning of “payee” is one to whom money
2 is paid.¹

3 *Shkedy*

- 4 3. Shkedy is directed towards an intermediary between buyers and at least
5 one seller. A buyer determines an item or service to be purchased, and
6 enters a conditional purchase order. The buyer receives a maximum offer
7 price from the intermediary which the buyer accepts or rejects. If the
8 buyer accepts the maximum offer price, the buyers' conditional purchase
9 order is combined into a pooled purchase order with other buyers. The
10 pooled purchase order is then made available to sellers to bid on. Any
11 sellers interested in the pooled purchase order will submit a bid
12 responsive to the conditional pooled purchase order, including the
13 maximum offer price. A seller will be selected whose bid is the best, e.g.
14 lowest price. Payment can be provided by the intermediary to the seller
15 having the lowest bid (Shkedy 3:39-57).
- 16 4. Shkedy describes the steps associated with the creation, transmission and
17 inclusion of a forward purchase order (FPO) into the pooled purchase
18 order (PPO) database. A buyer selects the category of goods or service to
19 be purchased. The buyer selects the particular item or service in the
20 category. The buyer adds a quantity along with any other required buyer
21 specified conditions. A buyer will specify along with item, quantity, and
22 buyer identification data, the pool date (i.e. seller bidding date) he
23 wishes to participate in and an outside delivery date. The pool date
24 represents the specific date at which the intermediary will make the PPO

⁸ *American Heritage Dictionary of the English Language* (4th ed. 2000).

available to the sellers for bidding. A buyer must select only a single pool date into which his FPO will be included (Shkedy 5:7-24).

5. Shkedy describes the how the FPO is converted into a PPO for vendor review once a buyer is authenticated and credit worthy. A central controller assigns a unique tracking number to the FPO and adds it to the pooled purchase order database. The central controller publishes or displays the PPO in a manner accessible by potential sellers. A seller could see a listing of PPO categories. The seller could then choose a particular category and have the ability to browse PPOs which correspond to that category (Shkedy 6:1-15).
6. Shkedy describes how a PPO is awarded by the central controller (intermediary) sending a purchase confirmation to the seller. Once the transaction has been completed, i.e., the goods have been delivered, the intermediary pays the seller preferably in a single payment for the total cost of the PPO (Shkedy 6:29-34).
7. Shkedy describes how communications between the various parties may be transmitted via numerous means including a world-wide-web interface, personal digital assistant (PDA), electronic mail, voice mail, facsimile, or postal mail (Shkedy 6:40-44).
8. Communications by a PDA is performed wirelessly.

PRINCIPLES OF LAW

22Claim Construction

During examination of a patent application, pending claims are given their broadest reasonable construction consistent with the specification. *In*

1 *re Prater*, 415 F.2d 1393, 1404-05 (CCPA 1969); *In re Am. Acad. of Sci.*
 2 *Tech Ctr.*, 367 F.3d 1359, 1364 (Fed. Cir. 2004).

3 Limitations appearing in the specification but not recited in the claim are not
 4 read into the claim. *E-Pass Techs., Inc. v. 3Com Corp.*, 343 F.3d 1364, 1369 (Fed.
 5 Cir. 2003) (claims must be interpreted “in view of the specification” without
 6 importing limitations from the specification into the claims unnecessarily)

7 Although a patent applicant is entitled to be his or her own lexicographer of
 8 patent claim terms, in *ex parte* prosecution it must be within limits. *In re Corr*,
 9 347 F.2d 578, 580 (CCPA 1965). The applicant must do so by placing such
 10 definitions in the Specification with sufficient clarity to provide a person of
 11 ordinary skill in the art with clear and precise notice of the meaning that is to be
 12 construed. *See also In re Paulsen*, 30 F.3d 1475, 1480 (Fed. Cir. 1994) (although
 13 an inventor is free to define the specific terms used to describe the invention, this
 14 must be done with reasonable clarity, deliberateness, and precision; where an
 15 inventor chooses to give terms uncommon meanings, the inventor must set out any
 16 uncommon definition in some manner within the patent disclosure so as to give
 17 one of ordinary skill in the art notice of the change).

18 *Anticipation*

19 "A claim is anticipated only if each and every element as set forth in the claim
 20 is found, either expressly or inherently described, in a single prior art reference."
 21 *Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631 (Fed. Cir.
 22 1987). "When a claim covers several structures or compositions, either generically
 23 or as alternatives, the claim is deemed anticipated if any of the structures or
 24 compositions within the scope of the claim is known in the prior art." *Brown v.*
 25 *M*, 265 F.3d 1349, 1351 (Fed. Cir. 2001). "The identical invention must be
 26 shown in as complete detail as is contained in the ... claim." *Richardson v. Suzuki*

1 *Motor Co.*, 868 F.2d 1226, 1236 (Fed. Cir. 1989). The elements must be arranged
 2 as required by the claim, but this is not an *ipsissimis verbis* test, i.e., identity of
 3 terminology is not required. *In re Bond*, 910 F.2d 831, 832 (Fed. Cir. 1990).

4 *Obviousness*

5 A claimed invention is unpatentable if the differences between it and the
 6 prior art are “such that the subject matter as a whole would have been obvious at
 7 the time the invention was made to a person having ordinary skill in the art.”
 8 35 U.S.C. § 103(a) (2000); *KSR Int’l v. Teleflex Inc.*, 127 S.Ct. 1727 (2000);
 9 *Graham v. John Deere Co.*, 383 U.S. 1, 13-14 (1966).

10 In *Graham*, the Court held that that the obviousness analysis is bottomed on
 11 several basic factual inquiries: “[(1)] the scope and content of the prior art are to be
 12 determined; [(2)] differences between the prior art and the claims at issue are to be
 13 ascertained; and [(3)] the level of ordinary skill in the pertinent art resolved.” 383
 14 U.S. at 17. *See also KSR*, 127 S.Ct. at 1734. “The combination of familiar
 15 elements according to known methods is likely to be obvious when it does no more
 16 than yield predictable results.” *KSR*, at 1739.

17 “When a work is available in one field of endeavor, design incentives and
 18 other market forces can prompt variations of it, either in the same field or in a
 19 different one. If a person of ordinary skill in the art can implement a predictable
 20 variation, § 103 likely bars its patentability.” *Id.* at 1740.

21 “For the same reason, if a technique has been used to improve one device,
 22 and a person of ordinary skill in the art would recognize that it would improve
 23 similar devices in the same way, using the technique is obvious unless its actual
 24 application is beyond his or her skill.” *Id.*

1 “Under the correct analysis, any need or problem known in the field of
 2 endeavor at the time of invention and addressed by the patent can provide a reason
 3 for combining the elements in the manner claimed.” *Id.* at 1742.

4 ANALYSIS

5 *Claims 12-16, 18, 19, 22-26, 28, 29, 43, and 44 rejected under 35 U.S.C. § 102(e)*
 6 *as anticipated by Shkedy.*

7 The Appellant argues these claims as a group.

8 Accordingly, we select claim 43 as representative of the group, and the
 9 remaining claims will stand or fall with claim 43. 37 C.F.R. § 41.37(c)(1)(vii)
 10 (2006).

11 The Examiner found that Shkedy anticipated claim 43 as follows (Answer 3-4)
 12 [bracketed matter and some paragraphing added].

13 43. A method for performing a monetary transaction, [(abstract and
 14 Figs. 1-2)]
 15 comprising:
 16 [1] receiving payee, user, and amount information from a wireless
 17 device associated with a user; [(column 5 lines 2-35 and column 6
 18 lines 40-47, 53-63 and column 8 lines 57-65 and column 11 lines 21-
 19 24 and Figs. 1-2; specifically, "payee" corresponds to the seller, and
 20 "user" corresponds to the buyer in Shkedy's teaching)]
 21 [2] identifying a first account associated with the user based on the
 22 user information; [(column 10 lines 1-10 and column 11 lines 8-12
 23 and Fig. 2)]
 24 [3] prompting a payee device associated with the payee,
 25 for information relating to a second account associated with the
 26 payee
 27 based on the payee information; and [(column 6 lines 4-32 and
 28 column 11 line 64 - column 12 line 34 and Fig. 2)]
 29 [4] transferring funds based on the amount information

1 between the first account and the second account. [(column 18
2 line 37 - column 19 line 54)]

3 The Appellant contends that Shkedy does not disclose receiving payee
4 information from a wireless device associated with a user (Br. 5:Second ¶). The
5 Appellant recites several portions of Shkedy and then concludes as follows.

6 These sections of SHKEDY disclose the type of information
7 submitted by buyers in creating forward purchase orders (FPO's) for
8 bidding by *potential* sellers. These sections of SHKEDY also disclose
9 the manner in which the information is received. Contrary to the
10 Examiner's interpretation, these sections of SHKEDY clearly do not
11 disclose receiving payee (or seller) information *from a wireless device*
12 *associated with the user*. Rather, SHKEDY specifically indicates that
13 the buyer is submitting an FPO for inclusion in a *bidding pool* which
14 may then be bid upon by multiple potential sellers. The receipt of
15 specific payee information from the buyer would eliminate the very
16 benefits that the system of SHKEDY offers, i.e., the ability for buyers
17 to create and submit purchase orders to an intermediary for
18 presentation to multiple potential sellers. Therefore, SHKEDY can not
19 be fairly construed to disclose or suggest receiving payee information
20 from a wireless device, as required by claim 43.

21 Furthermore, the above-recited sections of SHKEDY further indicate
22 that central controller 200 "manages the payment system between the
23 buyer and the seller automatically" (see col. 6, lines 53-54). More
24 specifically, the central controller 200 of SHKEDY may use an
25 intermediary escrow account for transitioning funds between buyers
26 and sellers. By facilitating payment through central controller 200,
27 payee information is never required from the buyer.

28 (Br. 7-8) (emphasis in original.)

29 The Examiner responded that Shkedy teaches the user (or the buyer) submits a
30 forward purchase order (FPO) that includes potential payee information (Answer
31 7:Bottom ¶).

1 Thus the sole issue before us is whether Shkedy describes the element [1]
2 limitation of receiving payee information from a wireless device associated with a
3 user.

4 We must first construe the claim limitation. The Specification does not define
5 the phrase “payee information,” but the usual and customary meaning of payee is
6 one to whom money is paid (FF &). The word “payee” in the phrase “payee
7 information” is a noun modifier characterizing the noun “information.” Payee
8 information is then information that is in some manner characterized by one to
9 whom money is paid.

10 We find that there is nothing in the claim that specifies the precise nature of the
11 payee information, and in particular it does not have to identify the payee. Since
12 payee information is information related to a payee, such information might point
13 to a payee, or it might provide facts pertinent to a seller as payee, such as the
14 quantity and description of what is ordered, or when the order is placed and
15 delivery is requested. We also find that the claim does not require that the payee
16 be known at the time the information is received so long as it characterizes the one
17 who is ultimately paid.

18 We find that Shkedy is directed towards an intermediary between buyers and at
19 least one seller (FF). Shkedy describes information is received from buyers to
20 describe a forward purchase order, including items, quantity, buyer identification
21 and pool date (FF). Shkedy describes that this information may be communicated
22 by a wireless device (FF &). This forward purchase order is converted into a
23 pooled purchase order with a unique tracking number that vendors bid on (FF).
24 After a vendor is awarded the pooled purchase order and fulfills its conditions, the
25 vendor is paid (FF).

1 We find that the information, particularly the quantity and description of what
2 is ordered and the pool date (FF), received from the buyer, which may arrive
3 wirelessly, are contents of the FPO. The FPO becomes the PPO, which is awarded
4 to a vendor, who is paid. Thus, this information describes and identifies the PPO
5 and by inference, points to the vendor who is awarded that PPO. Certainly the
6 pool identifier identifies the PPO and therefore by the time it is paid, identifies the
7 payee. Thus, the information received to identify the FPO is information that is in
8 some manner characterized by one to whom money is paid, certainly at the time of
9 payment.

10 The Appellant has not sustained its burden of showing that the Examiner erred
11 in rejecting claims 12-16, 18, 19, 22-26, 28, 29, 43, and 44 under
12 35 U.S.C. § 102(e) as anticipated by Shkedy.

1 *Claims 2-6, 8, 9, 32-36, 38, 39, 41, 42, and 45 rejected under 35 U.S.C. § 103(a)*
2 *as unpatentable over Shkedy.*

3 The Appellant argues these claims as a group and we select claim 42 as
4representative. The remaining claims will stand or fall with claim 42.

5 The Appellant contends that Shkedy does not disclose receiving payee
6information from a wireless device associated with a user (Br. 10:Second full ¶)).
7This is the same argument made in support of claim 43, *supra*. We found that
8Shkedy does disclose receiving payee information from a wireless device
9associated with a user, *supra*.

10 The Appellant has not sustained its burden of showing that the Examiner erred
11in rejecting claims 2-6, 8, 9, 32-36, 38, 39, 41, 42, and 45 under 35 U.S.C. § 103(a)
12as unpatentable over Shkedy.

13 CONCLUSIONS OF LAW

14 The Appellant has not sustained its burden of showing that the Examiner erred
15in rejecting claims 12-16, 18, 19, 22-26, 28, 29, 43, and 44 under
1635 U.S.C. § 102(e) as anticipated by the prior art and claims 2-6, 8, 9, 32-36, 38,
1739, 41, 42, and 45 under 35 U.S.C. § 103(a) as unpatentable over the prior art.

18 On this record, the Appellant is not entitled to a patent containing claims 2-6,
198, 9, 12-16, 18, 19, 22-26, 28, 29, 32-36, 38, 39, and 41-45.

20 DECISION

21 To summarize, our decision is as follows:

- 22 • The rejection of claims 12-16, 18, 19, 22-26, 28, 29, 43, and 44 under
23 35 U.S.C. § 102(e) as anticipated by Shkedy is affirmed.

- 1 • The rejection of claims 2-6, 8, 9, 32-36, 38, 39, 41, 42, and 45 under
2 35 U.S.C. § 103(a) as unpatentable over Shkedy is affirmed.
- 3 No time period for taking any subsequent action in connection with this appeal
4 may be extended under 37 C.F.R. § 1.136(a)(1)(iv).

5 AFFIRMED

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10JRG

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